BOARD OF GOVERNORS, URANIUM CITY HOSPITAL

FINANCIAL STATEMENTS

For the Year Ended March 31, 2005

Provincial Auditor Saskatchewan

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AUDITOR'S REPORT

To the Members of the Legislative Assembly of Saskatchewan

I have audited the statement of financial position of the Board of Governors, Uranium City Hospital as at March 31, 2005 and the statements of operations and changes in fund balances, and cash flows for the year then ended. The Hospital's management is responsible for preparing these financial statements for Treasury Board's approval. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with Canadian generally accepted auditing standards. Those standards require that I plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In my opinion, these financial statements present fairly, in all material respects, the financial position of the Board of Governors, Uranium City Hospital as at March 31, 2005 and the results of its operations and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

Regina, Saskatchewan
March 1, 2006

Fred Wendel, CMA, CA
Provincial Auditor

BOARD OF GOVERNORS, URANIUM CITY HOSPITAL
STATEMENT OF FINANCIAL POSITION
As at March 31

	2005			2004
	Operating Fund	Capital Fund	Total	Total
ASSETS				
Current Assets				
Cash	$ 1,700	$ -	$ 1,700	$ 338,074
Accounts Receivable	9,883	-	9,883	9,883
	11,583	-	11,583	347,957
Capital Assets	-	1	1	1
Total Assets	$ 11,583	$ 1	$ 11,584	$ 347,958
LIABILITIES				
Current Liabilities				
Accounts Payable	$ -	$ -	$ -	$ 7,831
FUND BALANCES				
Externally Restricted (Note 3 (a)(ii))	-	1	1	3,013
Unrestricted	11,583	-	11,583	337,114
Fund Balances: Statement 2	11,583	1	11,584	340,127
Total Liabilities and Fund Balances	$ 11,583	$ 1	$ 11,584	$ 347,958

(See accompanying notes to the financial statements)

BOARD OF GOVERNORS, URANIUM CITY HOSPITAL
STATEMENT OF OPERATIONS AND CHANGES IN FUND BALANCES
For the Year Ended March 31

	2005			2004
	Operating Fund	Capital Fund	Total	Total
Revenues				
Saskatchewan Health - General Revenue Fund	$ -	$ -	$ -	$ 326,981
Income and recoveries	-	-	-	2,720
Interest Income	3,236	-	3,236	11,528
Ancillary operations	-	-	-	3,550
	3,236	-	3,236	344,779
Expenses				
Administration	13,090	-	13,090	160,293
Housekeeping and laundry	-	-	-	21,443
Maintenance	194	-	194	54,959
Dietary	-	-	-	18,581
Acute Care	-	-	-	144,289
Laboratory and x-ray	-	-	-	6,655
Ancillary operations	495	-	495	15,595
Total (Schedule 1)	13,779	-	13,779	421,815
Net loss from operations	(10,543)	-	(10,543)	(77,036)
Loss on disposal of capital assets	-	-	-	(30,961)
Loss due to revaluation of assets	-	-	-	(23,755)
Net loss	(10,543)	-	(10,543)	(131,752)
Fund balances, beginning of year	337,114	3,013	340,127	471,879
Transfer of cash to Athabasca Health Authority (Note 6)	(314,988)	(3,012)	(318,000)	-
Fund balances, end of year	$ 11,583	$ 1	$ 11,584	$ 340,127

(See accompanying notes to the financial statements)

BOARD OF GOVERNORS, URANIUM CITY HOSPITAL
STATEMENT OF CASH FLOWS
For the Year Ended March 31

	Operating Activities		Financing and Investing Activities	
	Operating Fund		Capital Fund	
	2005	2004	2005	2004
Cash used in:				
Net loss	$ (10,543)	$ (93,436)	$ -	$ (38,316)
Non-Cash Expense				
-amortization of capital assets	-	-	-	3,061
-loss on disposal of capital assets	-	-	-	30,961
-loss due to revaluation of assets	-	19,461	-	4,294
- transfer of cash to Athabasca Health Authority (Note 6)	(314,988)	-	(3,012)	-
Net change in non-cash working capital (Note 5)	(7,831)	(156,511)	-	-
Net decrease in cash	(333,362)	(230,486)	(3,012)	-
Cash, beginning of year	335,062	565,548	3,012	3,012
Cash, end of year	$ 1,700	$ 335,062	$ -	$ 3,012

(See accompanying notes to the financial statements)

BOARD OF GOVERNORS, URANIUM CITY HOSPITAL
NOTES TO THE FINANCIAL STATEMENTS
March 31, 2005

1. Authority

The Board of Governors, Uranium City Hospital was established June 5, 1995 by Order in Council #508/95 under *The Public Health Act* to operate the Uranium City Hospital.

2. Discontinued Operations

On June 2, 2003 the Uranium City Hospital ceased delivering health services. An Order in Council has not yet been issued to dissolve the Board of Governors, Uranium City Hospital.

These financial statements have not been prepared in accordance with accounting principles that apply to a going concern. Due to the hospital closure on June 2, 2003 the Board has prepared the statements based on realizable value as the going concern assumption is no longer appropriate.

3. Significant Accounting Policies

These financial statements have been prepared in accordance with Canadian generally accepted accounting principles. Significant accounting policies are summarized as follows:

a) Fund Accounting

The accounts of the Board are maintained in accordance with the principles of restricted fund accounting. For financial reporting purposes, accounts with similar characteristics have been combined into the following major funds:

i Operating fund

The operating fund reflects the primary operations of the Board until hospital closure. These included revenues received for provision of health services from Saskatchewan Health - General Revenue Fund, and billings to patients, clients, and other agencies for patient and client services in the prior year. Other revenue consists of interest income and ancillary operations. Expenses are for the administration related to the closure of the hospital in the current year as compared to expenses for the delivery of health services in the prior year.

ii Capital fund

The capital fund reflects the equity of the Board in capital assets.

b) Revenue

Contributions, including operating funding from Saskatchewan Health – General Revenue Fund, is included as revenue in the year in which it is received or receivable.

4. Related Party Transactions

Included in these financial statements are transactions with related parties. These related parties include various Saskatchewan Crown Corporations, departments, agencies, boards and commissions related to the Board by virtue of common control by the Government of Saskatchewan and non-crown corporations and enterprises subject to joint control or significant influence by the Government of Saskatchewan.

The Board purchased office services from the accounting firm of Stewart Gee and Associates, one of whose partners was the chief financial officer of the hospital until May 24, 2005.

Routine operating transactions with related parties are settled at standard rates charged by the organizations under normal trade terms. These transactions and amounts outstanding at year end are included in the financial statements and the table below:

	2005	2004
Related Parties, Expenses		
Uranium City Bulk Fuel	$ -	$ 24,735
SAHO	57	14,261
Stewart Gee and Associates	5,700	24,798
Sask Power	1,596	8,190
Sask Tel	-	5,912
Others	-	15,555

In addition, the Board pays Provincial Sales Tax to the Saskatchewan Department of Finance on all its taxable purchases. Taxes paid are recorded as part of the cost of those purchases.

Other amounts and transactions due to and from related parties and the terms of settlement are described separately in these financial statements and the notes thereto.

5. Net Change in Non-Cash Working Capital

	Operating Fund	
	2005	2004
Decrease in accounts receivable	$ -	$ 20,872*
Decrease in inventories	-	33,998*
Decrease in prepaid expenses	-	6,928
Decrease in accounts payable	(7,831)	(100,837)
Decrease in accrued salaries and vacation payable	-	(117,472)
	$ (7,831)	$ (156,511)

* These amounts exclude losses due to the revaluation of assets as those amounts are disclosed elsewhere on the Statement of Cash Flows.

6. Transfer of Cash

On August 25, 2004, the Board transferred $318,000 to the Athabasca Health Authority at the direction of Saskatchewan Health.

7. Subsequent Event

On May 25, 2005, Saskatchewan Health assumed responsibility for liabilities of the Uranium City Hospital.

BOARD OF GOVERNORS, URANIUM CITY HOSPITAL
SCHEDULE OF EXPENSES BY OBJECT
For the Year Ended March 31

	2005	2004
Operating Expenses		
Salaries and other benefits	$ -	$ 198,249
Medical, surgical, drugs, and other patient supplies	-	5,508
Utilities	194	32,028
Repairs and maintenance	-	1,634
Dietetic/ food supplies	-	2,874
Staff education and travel	-	51,085
Other		
- board expenses	600	7,236
- administrative	12,490	104,870
- ancillary operations	495	15,270
Total Operating Expenses	13,779	418,754
Capital Expenses		
Amortization	-	3,061
Total Capital Expenses	-	3,061
Non-Operating Expenses		
Loss on disposal of capital assets	-	30,961
Loss due to revaluation of assets	-	23,755
Total Non-Operating Expenses	-	54,716
Total Expenses	$ 13,779	$ 476,531